1959

REPORT

of the

President and Directors

of the

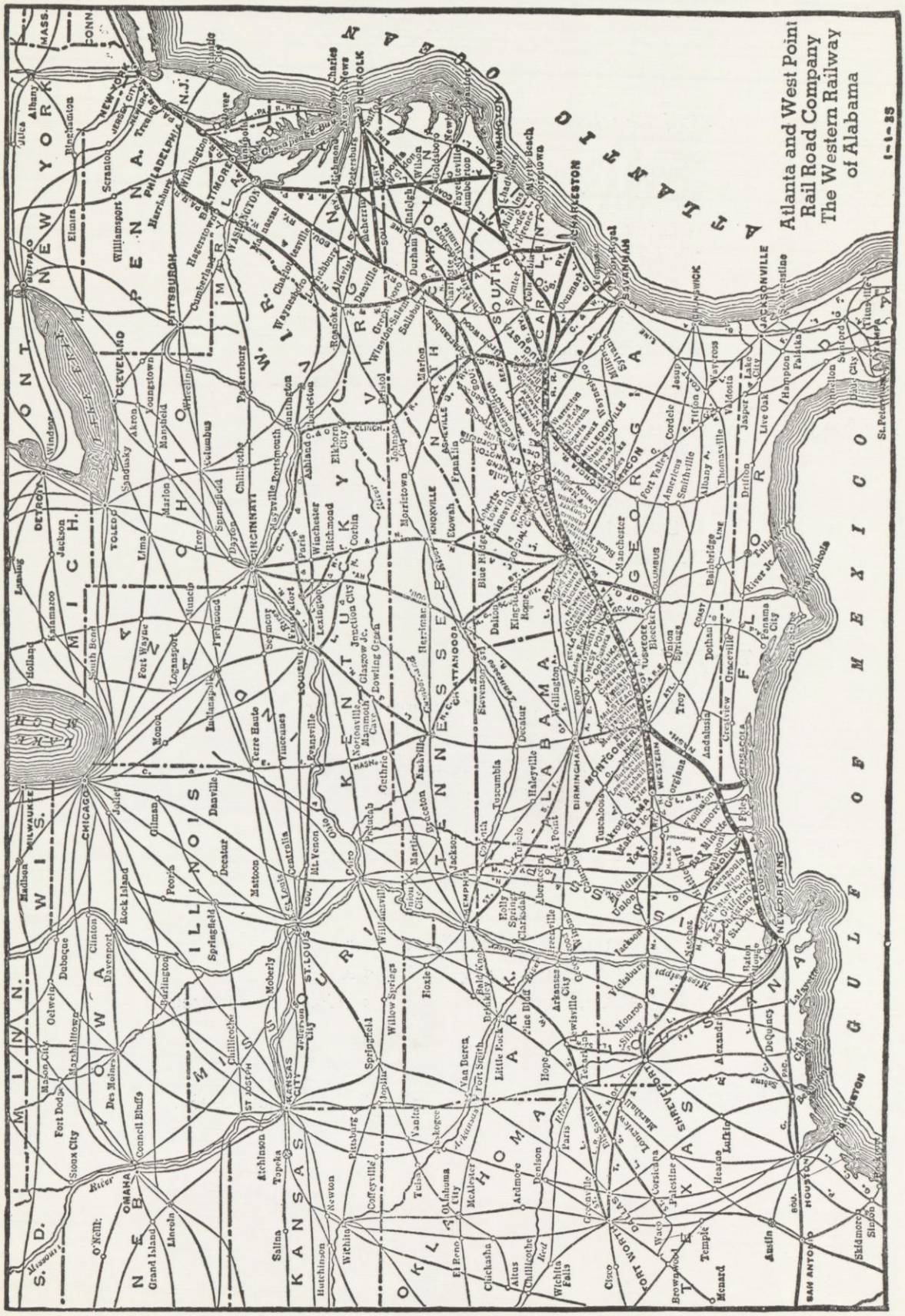
Atlanta and West Point Rail Road Company

to the

Stockholders in Convention

for the

Year Ended December 31, 1959


Atlanta and West Point
Rail Road Company
The Western Railway
of Alabama
1-1-25
ATLANTIC OCEAN
GULF OF MEXICO
NEW YORK
PENNA.
OHIO
MICH.
ILLINOIS
WIS.
IOWA
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S. D.
OKLA.
TEXAS
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MISS.
ALABAMA
TENNESSEE
KENTUCKY
GEORGIA
FLA.
SOUTH CAROLINA
NORTH CAROLINA
VIRGINIA
MASS.
CONN.
N.J.
CHICAGO
ST. LOUIS
KANSAS CITY
MEMPHIS
NEW ORLEANS
MOBILE
MONTGOMERY
BIRMINGHAM
CHATTANOOGA
CINCINNATI
PITTSBURGH
CLEVELAND
DETROIT
TOLEDO
INDIANAPOLIS
LOUISVILLE
NASHVILLE
ATLANTA
CHARLESTON
SAVANNAH
JACKSONVILLE
HOUSTON
SAN ANTONIO
DALLAS
FORT WORTH
WICHITA FALLS
OMAHA
DES MOINES
MILWAUKEE
BUFFALO
ALBANY
BOSTON
PHILADELPHIA
BALTIMORE
WASHINGTON
NORFOLK
RICHMOND
RALEIGH
CHARLOTTE
COLUMBIA
MACON
COLUMBUS
MOBILE
NEW ORLEANS
GALVESTON
SHREVEPORT
MEMPHIS
ST. LOUIS
KANSAS CITY
DENVER
SALT LAKE CITY
SAN FRANCISCO
LOS ANGELES
SEATTLE
PORTLAND
MONTREAL
QUEBEC
HALIFAX
ST. JOHN
ST. PETERSBURG
HAVANA
NASSAU
BERMUDA

Board of Directors

WILLIAM N. BANKS, *Grantville, Georgia*
EDWARD G. COLE, JR., *Newnan, Georgia*
WILLIAM H. KENDALL, *Louisville, Kentucky*
JOSEPH L. LANIER, *West Point, Georgia*
J. CLYDE MIXON, *Atlanta, Georgia*
W. THOMAS RICE, *Wilmington, North Carolina*
SAMUEL R. YOUNG, *College Park, Georgia*

Executive Committee

WILLIAM H. KENDALL
J. CLYDE MIXON
W. THOMAS RICE

The Staff

J. C. MIXON, *President and General Manager*
T. C. BULLARD, *Secretary and Treasurer*
HEYMAN, ABRAM & YOUNG, *General Counsel*
B. A. CULPEPPER, *General Auditor*
E. J. HALEY, *General Superintendent*
MARSHALL L. BOWIE, *Director of Personnel*
J. B. WILSON, *Chief Engineer*
J. B. PACE, *Purchasing Agent*
W. T. MARTIN, *Freight Traffic Manager*
W. W. SNOW, *Passenger Traffic Manager*
J. E. SAUCIER, *General Development and Real Estate Agent*

GENERAL OFFICES: 4 Hunter Street, S. E., Atlanta 3, Ga.

COMPARATIVE SUMMARY OF OPERATING AND CORPORATE RESULTS, AND FINANCIAL POSITION

SOURCE OF INCOME	1959	1958	Increase or Decrease	
			Amount	Percent
Income:				
Freight	$ 2,878,895	$ 2,718,846	$ 160,049	5.89
Passenger	260,690	286,998	—26,308	—9.17
Mail, express, and other operations	584,138	554,164	29,974	5.41
Rent from equipment and joint facilities	—184,929	—164,499	—20,430	—12.42
Dividends, interest, and miscellaneous income	106,862	96,607	10,255	10.62
TOTAL	$ 3,645,656	$ 3,492,116	$ 153,540	4.40
CHARGES AGAINST INCOME				
Railway tax accruals	$ 220,079	$ 216,469	$ 3,610	1.67
Operating expenses:				
Maintenance of way and structures	$ 504,721	$ 444,763	$ 59,958	13.48
Maintenance of equipment	625,446	620,884	4,562	0.73
Traffic	215,700	203,234	12,466	6.13
Transportation	1,608,153	1,751,067	—142,914	—8.16
Miscellaneous operations	40,836	37,238	3,598	9.66
General	217,749	217,419	330	0.15
TOTAL	$ 3,212,605	$ 3,274,605	$ —62,000	—1.89
Other deductions from income:				
Interest on debt	$ 30,632	$ 34,154	$ —3,522	—10.31
Taxes on non operating property	9,904	9,627	277	2.88
Miscellaneous	2,430	568	1,862	327.82
TOTAL	$ 42,966	$ 44,349	$ —1,383	—3.12
TOTAL CHARGES AGAINST INCOME	$ 3,475,650	$ 3,535,423	$ —59,773	1.69
NET INCOME	$ 170,006	$ —43,307	$ 213,313	
Dividends to shareholders	$ 98,544	$ 24,636	$ 73,908	300.00
Amount available for debt reduction, improvements, and other purposes	71,462	—67,943	139,405	
Net income per share	$ 6.90	$ —1.76	$ 8.66	
Dividend payments per share	$ 4.00	$ 1.00	$ 3.00	300.00
FINANCIAL POSITION				
Total investments less recorded depreciation and amortization	$ 6,863,544	$ 7,081,234	$ —217,690	—3.07
Current assets	1,778,283	1,793,545	—15,262	—0.85
Deferred and unadjusted assets	171,488	103,926	67,562	65.01
Capital stock	2,463,600	2,463,600		
Long term debt	802,388	927,154	—124,766	—13.46
Long term debt due within one year	119,972	120,584	—612	—0.51
Current liabilities	451,764	545,917	—94,153	—17.25
Deferred and unadjusted liabilities	215,242	232,813	—17,571	—7.55
Corporate surplus	4,760,349	4,688,637	71,712	1.53

—Decrease.

TO THE STOCKHOLDERS:

A report of the operations of your company for the year 1959 is submitted herein.

EARNINGS

Net income after fixed charges amounted to $170,-006, or $6.90 a share of common stock, compared to a deficit of $43,307, or $1.76 a share of common stock, in 1958. No income tax accrued in the year due to tax credits from amortization of certain investments in equipment and facilities brought forward from previous years.

DIVIDENDS

Stockholders received dividends of $2 a share as of August 1, 1959, and $2 a share as of December 21, 1959.

OPERATING REVENUE

Total revenues for the year increased $153,540, or 4.40%, over 1958, while operating expenses decreased $62,000, or 1.89%, which resulted in an improvement of 5.29% in the operating ratio.

FREIGHT

Freight revenue increased 5.89%. Freight ton miles increased 9.09% and total tons handled increased 7.94%. The statement on page 17 indicates increases in the majority of commodities except a few associated with agriculture and the mining and metals industries.

Recovery from the recession lows in 1958 was strong during the first half of 1959 but weakened somewhat in the second half of the year due, in part, to the long steel strike and difficulties in the coal mining industry.

Competition with other forms of transportation continues at a vigorous pace. This is being met with alert and intensive sales efforts. Service and rates are under constant scrutiny and efforts are being made to meet each problem with realistic and progressive treatment.

Late in the year arrangements were made to begin piggyback service between Atlanta and some of the Gulf and Southwestern points. These operations are expected to get under way during the first quarter of 1960.

PASSENGER, ALLIED AND MISCELLANEOUS

Passenger traffic experienced further erosion due to expansions in air and private automobile travel. Passenger revenue decreased 9.2% and miles traveled decreased 10.26%. Some of this decline is due to the discontinuance of two unprofitable trains during the last half of 1958 but such decline was more than offset by savings in operating costs.

Gross mail revenue increased to a small extent but the net declined 7.9% due to the cost of a truck operation substituted for trains removed. These costs, however, were more than offset by other operating savings.

Express revenue increased 29.6%. The volume of this traffic has not improved to so marked an extent but economies resulting from a reorganization of Railway Express Agency materially improved net revenue.

Miscellaneous revenue declined 2.6%, resulting principally from decreased switching service.

OPERATING EXPENSES

Unit costs of labor and material were again increased during 1959 and some additional maintenance of road and equipment was undertaken, but by continued close control, with changes in train operations, expenses declined and an improvement in the operating ratio resulted.

Aiding in this was the mechanical track maintenance equipment purchased in 1958 and augmented to some extent in 1959. Late in the year orders were placed for additional equipment which will enable us to further mechanize track work at substantial savings in cost.

During the year teletype equipment was installed to further progress plans for the interchange of reporting and accounting data with connections. These procedures are expected to be advanced further during 1960.

RAILWAY TAX ACCRUALS

Railway tax accruals increased $3,610 or 1.7% in 1959, being held to this level by a substantial adjustment in ad valorem tax.

Reference has already been made to income tax.

By congressional action an increase from 2½% to 3% in the rate of railroad unemployment tax applicable to the first $350 a month earned by railroad employees became effective January 1, 1959. By similar action a further increase in the rate of railroad unemployment tax from 3% to 3¾% applicable to the first $400 a month earned by railroad employees became effective June 1, 1959. Also by congressional action, effective June 1, 1959, the railroad retirement tax was made applicable to the first $400 a month earned by railroad employees instead of the first $350 previously taxed. At the same time the rate was increased from 6¼% to 6¾%. These are the amounts paid by the railroad which pays all unemployment tax, while employees pay a like amount for retirement. These additional increases are estimated to amount to $20,000 in 1960 and are responsible for an increase of $12,000 in 1959.

Due principally to an adverse ruling by the State of

Georgia, applicable to all railroads, our sales and use tax increased approximately 30% in 1959. If this ruling remains in force, as now seems likely, we may anticipate an added cost of approximately $7,000 a year.

EQUIPMENT RENTS

The net amount paid for rent of freight cars in 1959 increased due to the increase in the amount of freight business done and increases in mileage rates payable for tank cars. Late in 1959 the per diem rate on freight cars was increased from $2.75 to $2.88 and further increases are now occurring in mileage rates for tank and other private line cars.

Consideration is now being given to the purchase of additional freight cars to meet loading requirements on our line for both conventional and specialized cars.

WAGE AND LABOR NEGOTIATIONS

Moratorium provisions included in labor agreements in effect between your company and its employees, which prevented either party to those agreements from requesting principal changes therein, expired on October 31, 1959.

Subsequently demands were served upon your company and other principal railroads by organizations representing all contract employees for wage increases, ranging from 25¢ an hour, approximately 12%, for non-operating employees, to 14% for operating employees, to become effective November 1, 1959. Included, additionally, were demands for various rule changes, among which were increases in vacations, paid holidays, and health and welfare benefits. Counter proposals were served upon the employee organizations for 15¢ an hour reduction in wages to bring them more in line with general industry. Seeking elimination of wasteful work practices your company joined other railroads in serving notice upon its operating employee organizations for changes in rules which are inconsistent with present day operating conditions and are serious impediments to efficient and economical service in a grave competitive situation affecting both employer and employee. These matters are now in process of negotiation.

CAPITAL EXPENDITURES

During the years 1946 through 1959 expenditures of new money for improvements in property amounted to $5,118,249, which is 68.28% of the total investment at the close of 1945. At the end of 1959 all debt for such purposes had been reduced to $922,360. These expenditures have kept the property in condition to operate efficiently and economically.

In 1959 no major expenditures for new equipment were made. 3.31 miles of new 115-pound rail was laid to replace 100-pound rail in main track between West Point and East Point.

INDUSTRIAL DEVELOPMENT

During 1959 eleven new industries served directly by your railroad located at seven points. Two others expanded their facilities to materially increase their activity. American-Marietta Company completed and expanded their plant near the 10 mile post and are in full production. Late in the year American Can Company, Marathon Division, had under construction at McBride, a station near Newnan, a large plant for processing paper products. Almost ready for operation at year end was a new chemical plant erected by Scholle Atlanta Corporation on the industrial tract near the 10 mile post. Under way are extensive street, highway and utility improvements which will further increase the attractiveness of extensive industrial areas in south Fulton County, including properties owned by the railroad near College Park.

Prospects for further and more rapid development of the area served by your line are bright and are receiving alert and constant attention.

SAFETY

It is with a deep sense of pride in the accomplishment of employees on your line that we acknowledge the award by The American Museum of Safety, on September 16, 1959, of the E. H. Harriman Memorial Certificate of Commendation in recognition of their outstanding safety performance for the year 1958.

GENERAL

It is disappointing that more progress has not been made toward a further study of the national transportation policy by the U. S. Senate Committee on Interstate and Foreign Commerce as contemplated by the 1958 act; nevertheless 1959 has seen some limited steps toward freedom of competition. Railroads are still very far short of competitive equality with unregulated and subsidized transportation. They also seriously need relief from restrictions which prevent a flexibility of operation to perform a complete transportation service on a freely competitive basis. It is entirely out of keeping with a common sense of fairness and the free enterprise concept that such conditions should continue. All citizens, and especially those connected with the industry, are urged to display their interest in improving the situation at every opportunity.

General recovery subsequent to the steel strike has been impeded by unusually prolonged and severe weather conditions over the entire territory. In many cases this has meant only a deferment of activity and we look confidently forward to a reasonable level of business during 1960. Your company will continue alert to prospects for more efficient operations and improvements in its business potential.

MILEAGE OPERATED

Miles of road operated at December 31, 1959, were as follows:

MAIN LINE:			
Atlanta to West Point, Ga.			
Owned property deeded	85.72		
Less—Leased to Atlanta Terminal Company	0.10	85.62	
Hulsey Junction to Oakland City—Owned property deeded		5.16	90.78
TRACKAGE RIGHTS:			
Atlanta Terminal Company, Atlanta, Ga.		0.46	
Central of Georgia Railway, Oakland Junction, Ga.		0.05	
Georgia Railroad, Atlanta Joint Terminals		2.02	2.53
Total mileage operated		.....	93.31

Total mileage operated in freight and passenger service was 90.44 and 86.08 miles, respectively.

PROPERTIES—ROAD AND EQUIPMENT

Changes in road and equipment accounts are summarized as follows:

	Total	Road	Equipment	General Expenditures
Balance, January 1, 1959	$ 10,409,525	$ 5,476,345	$ 4,818,288	$ 114,892
Additions during year	44,448	41,274	3,174	
Total	$ 10,453,973	$ 5,517,619	$ 4,821,462	$ 114,892
Retirements	37,186	8,211	28,975	
Balance, December 31, 1959	$ 10,416,787	$ 5,509,408	$ 4,792,487	$ 114,892
Less donations and grants	68,543			
Investment in transportation property	$ 10,348,244			

Principal additions to property consisted of the following:

ROAD:	
Increased weight of rail and track fixtures	$ 22,430
Control panels for accounting machines, Atlanta, Ga.	3,937
Construction of industrial track, College Park, Ga.	3,688
One-fourth interest in track liner, line indicator, power tamping jack and track surfacer	8,815
Total	$ 38,870
EQUIPMENT:	
Purchase of one automotive truck	$ 2,603

TAXES

The following shows amounts of various taxes accrued compared with preceding year:

	1959	1958	Increase —Decrease Amount	Per Cent
UNITED STATES GOVERNMENT TAXES:				
Railroad Retirement	$ 73,150	$ 71,338	$ 1,812	2.54
Unemployment insurance	38,564	28,538	10,026	35.13
Other	1,502	1,295	207	15.98
Total	$ 113,216	$ 101,171	$ 12,045	$ 11.91
STATE AND LOCAL TAXES:				
Property	$79,296	$ 93,795	$ —14,499	—15.46
Sales and use	24,669	18,228	6,441	35.34
Other	2,898	3,275	—377	—11.51
Total	$ 106,863	$ 115,298	$ —8,435	—7.32
Total railway tax accruals	$ 220,079	$ 216,469	$ 3,610	1.67
Taxes on nonoperating property	9,904	9,627	277	2.88
Total all taxes	$ 229,983	$ 226,096	$ 3,887	1.72

Your board and management expresses sincere appreciation to our faithful employees and to our loyal and capable managerial staff.

By order of the Board of Directors:

J. C. MIXON
President and General Manager

The company announces with deep regret the passing of the following:

F. O. WALSH, Retired Superintendent Motive Power
died at Atlanta, Ga., December 8, 1958

A. D. MOORE, Auditor of Disbursements,
died at Atlanta, Ga., January 22, 1959

C. E. RODENBERG, Retired General Freight Agent,
died at Augusta, Ga., April 16, 1959

G. C. WEBB, Retired Chief Law and Special Agent,
died at Atlanta, Ga., February 26, 1960

HASKINS & SELLS
ACCOUNTANTS

HEALEY BUILDING
ATLANTA 3

ACCOUNTANTS' OPINION

Atlanta and West Point Rail Road Company:

We have examined the balance sheet of Atlanta and West Point Rail Road Company as of December 31, 1959 and the related statements of income and of retained income - unappropriated for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and of retained income - unappropriated present fairly the financial position of the Company at December 31, 1959 and the results of its operations for the year then ended, in conformity with principles of accounting prescribed or authorized by the Interstate Commerce Commission applied on a basis consistent with that of the preceding year.

Haskins & Sells

April 15, 1960.

BALANCE SHEET

ASSETS

	December 31	
	1959	1958
CURRENT ASSETS:		
Cash	$ 213,285.61	$ 295,958.54
Temporary cash investments	895,028.42	798,501.25
Net balances receivable from agents and conductors	69,196.76	76,207.28
Miscellaneous accounts receivable	126,802.39	142,180.85
Accrued accounts receivable	37,831.14	57,870.97
Material and supplies	427,128.46	416,572.96
Prepayments and other current assets	9,010.48	6,252.75
Total current assets	$ 1,778,283.26	$ 1,793,544.60
INVESTMENTS:		
Investments in affiliated companies	$ 230,171.41	$ 229,114.95
Other investments	134,912.09	135,341.18
Total investments	$ 365,083.50	$ 364,456.13
PROPERTIES:		
Transportation:		
Road and Equipment	$10,416,786.73	$10,409,525.00
Less donations and grants	68,542.81	68,401.55
Total transportation property	$10,348,243.92	$10,341,123.45
Less accrued depreciation and amortization	4,124,977.24	3,904,605.03
Total transportation property less recorded depreciation and amortization	$ 6,223,266.68	$ 6,436,518.42
Miscellaneous property	$ 437,577.37	$ 439,066.78
Less accrued depreciation	162,383.87	158,807.63
Total miscellaneous property	$ 275,193.50	$ 280,259.15
Total properties less recorded depreciation and amortization	$ 6,498,460.18	$ 6,716,777.57
OTHER ASSETS AND DEFERRED CHARGES:		
Other assets	$ 32,001.50	$ 4,420.40
Deferred charges	139,486.52	99,506.03
Total other assets and deferred charges	$ 171,488.02	$ 103,926.43
TOTAL	$ 8,813,314.96	$ 8,978,704.73

BALANCE SHEET

LIABILITIES AND SHAREHOLDERS' EQUITY

	December 31	
	1959	1958
CURRENT LIABILITIES:		
Traffic and car service balances—net	$ 111,256.53	$ 228,685.41
Audited accounts payable	178,289.92	129,682.39
Miscellaneous accounts payable	2,468.24	2,999.37
Dividends matured unpaid	5,114.00	1,124.00
Unmatured interest accrued	722.50	852.46
Accrued accounts payable	152,271.86	181,267.98
Taxes accrued	1,641.32	1,305.34
Total current liabilities (exclusive of long-term debt due within one year)	$ 451,764.37	$ 545,916.95
LONG-TERM DEBT DUE WITHIN ONE YEAR—		
Equipment obligations	$ 119,971.92	$ 120,583.92
LONG-TERM DEBT—		
Equipment obligations	$ 802,388.01	$ 927,153.93
RESERVE—		
Insurance	$ 129,971.30	$ 130,898.83
OTHER LIABILITIES AND DEFERRED CREDITS:		
Other liabilities	$ 13,547.52	$ 14,001.18
Deferred credits	71,722.99	87,912.58
Total other liabilities and deferred credits	$ 85,270.51	$ 101,913.76
SHAREHOLDERS' EQUITY:		
Capital stock—Authorized, 25,000 shares of $100 par value each; outstanding, 24,636 shares	$ 2,463,600.00	$ 2,463,600.00
Capital surplus	$ 20,713.03	$ 20,463.03
Retained income:		
Appropriated	$ 237,745.83	$ 237,745.83
Unappropriated	4,501,889.99	4,430,428.48
Total retained income	$ 4,739,635.82	$ 4,668,174.31
Total shareholders' equity	$ 7,223,948.85	$ 7,152,237.34
TOTAL	$ 8,813,314.96	$ 8,978,704.73

See the accompanying Notes to Financial Statements.

STATEMENT OF INCOME

	1959	1958	Increase or —Decrease
OPERATING INCOME:			
Railway Operating Income:			
Railway operating revenues	$ 3,814,759.93	$ 3,658,262.31	$ 156,497.62
Railway operating expenses	3,212,605.60	3,274,605.35	—61,999.75
Net revenue from railway operations	$ 602,154.33	$ 383,656.96	$ 218,497.37
Railway tax accruals	220,078.70	216,468.85	3,609.85
Railway operating income	$ 382,075.63	$ 167,188.11	$ 214,887.52
Rent Income:			
Rent from locomotives	$ 18,550.96	$ 17,072.70	$ 1,478.26
Rent from passenger-train cars	81,465.50	93,039.65	—11,574.15
Rent from work equipment	2,551.14	4,175.62	—1,624.48
Joint facility rent income	9,279.27	9,262.46	16.81
Total rent income	$ 111,846.87	$ 123,550.43	$ —11,703.56
Rents Payable:			
Hire of freight cars	$ 45,887.04	$ 24,680.59	$ 21,206.45
Rent for locomotives	16,934.41	19,179.92	—2,245.51
Rent for passenger-train cars	60,098.86	75,094.65	—14,995.79
Rent for work equipment	792.95	1,286.33	—493.38
Joint facility rents	264,100.00	266,062.37	—1,962.37
Total rents payable	$ 387,813.26	$ 386,303.86	$ 1,509.40
Net rents payable	$ 275,966.39	$ 262,753.43	$ 13,212.96
Net railway operating income	$ 106,109.24	$ —95,565.32	$ 201,674.56
OTHER INCOME:			
Miscellaneous rent income	$ 38,432.55	$ 30,956.91	$ 7,475.64
Income from nonoperating property	23,843.91	25,219.20	—1,375.29
Dividend income	3,755.00	6,095.00	—2,340.00
Interest income	40,637.15	33,685.60	6,951.55
Miscellaneous income	193.68	650.26	—456.58
Total other income	$ 106,862.29	$ 96,606.97	$ 10,255.32
Total income	$ 212,971.53	$ 1,041.65	$ 211,929.88
MISCELLANEOUS DEDUCTIONS FROM INCOME:			
Miscellaneous rents	$ 676.40	$ 240.57	$ 435.83
Miscellaneous tax accruals	9,903.98	9,627.10	276.88
Miscellaneous income charges	1,753.78	326.90	1,426.88
Total miscellaneous deductions	$ 12,334.16	$ 10,194.57	$ 2,139.59
Income available for fixed charges	$ 200,637.37	$ —9,152.92	$ 209,790.29
FIXED CHARGES—			
Interest on funded debt	$ 30,631.86	$ 34,154.39	$ —3,522.53
NET INCOME	$ 170,005.51	$ —43,307.31	$ 213,312.82

—Minus
See Note 1 in the accompanying Notes to Financial Statements.

STATEMENT OF RETAINED INCOME—UNAPPROPRIATED

CREDITS		
Retained income—unappropriated January 1, 1959		$ 4,430,428.48
Net Income for the year		170,005.51
Total Credits		$ 4,600,433.99
DEBITS		
Dividends to shareholders:		
$2 a share paid August 1, 1959	$ 49,272.00	
$2 a share paid December 21, 1959	$ 49,272.00	
Total Debits		98,544.00
Retained income—unappropriated December 31, 1959		$ 4,501,889.99

NOTES TO FINANCIAL STATEMENTS

1. At December 31, 1959 the accumulated income tax reductions realized, because of the deduction for income tax purposes only of the excess of amortization of the cost of certain facilities over normal depreciation, were $462,000. Of this amount $74,000 is applicable to the year 1959 and results in no income tax for that year. There was a net operating loss for the year 1958. Because of such deductions for the past few years there is a loss carry-forward which can be offset for income tax purposes against profits which may be realized within the next four years.

2. The Company, together with Southern Railway Company and Central of Georgia Railway Company, jointly and severally guarantees unconditionally the payment of principal and interest of the first mortgage series A, 4% bonds of Atlanta Terminal Company due August 1, 1969, of which $772,000 were outstanding at December 31, 1959.

OPERATING EXPENSES FOR THE YEARS 1959 AND 1958 AND COMPARISON

ACCOUNT	1959	1958	Increase or —Decrease
Maintenance of Way and Structures:			
201 Superintendence	$ 34,716.95	$ 29,932.58	$ 4,784.37
202 Roadway maintenance	21,531.11	20,086.06	1,445.05
208 Bridges, trestles and culverts	666.02	2,675.12	—2,009.10
212 Ties	66,487.46	67,659.95	—1,172.49
214 Rails	3,529.99	1,546.56	1,983.43
216 Other track material	8,603.63	11,665.91	—3,062.28
218 Ballast	13,310.75	6,423.08	6,887.67
220 Track laying and surfacing	102,152.62	90,190.11	11,962.51
221 Fences, snowsheds, and signs	249.03	1,335.18	—1,086.15
227 Station and office buildings	6,719.43	4,988.47	1,730.96
229 Roadway buildings	2,494.69	687.22	1,807.47
235 Shops and enginehouses	129.39	----------	129.39
247 Communication systems	7,581.76	6,662.66	919.10
249 Signals and interlockers	24,219.74	21,426.79	2,792.95
265 Miscellaneous structures	158.78	184.47	—25.69
266 Road property—Depreciation:			
Engineering	1,101.00	1,104.48	—3.48
Grading	411.60	411.53	.07
Tunnels and subways	395.04	395.04	----------
Bridges, trestles and culverts	10,638.72	10,638.72	----------
Rails	35,644.44	32,011.92	3,632.52
Other track material	21,587.40	19,234.92	2,352.48
Fences, snowsheds and signs	602.16	602.19	—.03
Station and office buildings	6,840.36	6,650.61	189.75
Roadway buildings	132.96	146.84	—13.88
Fuel stations	134.04	134.04	----------
Shops and enginehouses	76.32	76.32	----------
Communication systems	1,374.00	1,374.00	----------
Signals and interlockers	4,234.44	4,232.09	2.35
Roadway machines	4,014.72	4,014.69	.03
Public improvements—Construction	2,907.00	2,893.85	13.15
267 Retirements—Road	4,327.12	2,491.81	1,835.31
269 Roadway machines	8,867.32	7,104.75	1,762.57
270 Dismantling retired road property	1,218.91	—2,780.48	3,999.39
271 Small tools and supplies	5,776.75	5,979.37	—202.62
272 Removing snow, ice and sand	----------	6.93	—6.93
273 Public improvements—Maintenance	14,210.77	6,438.53	7,772.24
274 Injuries to persons	1,537.61	1,521.30	16.31
275 Insurance	189.27	561.19	—371.92
276 Stationery and printing	413.14	396.23	16.91
277 Other expenses	5,673.32	5,099.84	573.48
278 Maintaining joint tracks, yards and other facilities—Debit	84,813.40	73,421.06	11,392.34
279 Maintaining joint tracks, yards and other facilities—Credit	—4,952.26	—4,862.75	—89.51
Total	$ 504,720.90	$ 444,763.18	$ 59,957.72
Maintenance of Equipment:			
301 Superintendence	$ 21,734.51	$ 21,737.56	$ —3.05
311 Other locomotives—Repairs	120,948.08	154,880.99	—33,932.91
314 Freight train cars—Repairs	215,349.88	181,937.03	33,412.85
317 Passenger train cars—Repairs	55,755.26	53,596.91	2,158.35
326 Work equipment—Repairs	948.57	2,162.42	—1,213.85
328 Miscellaneous equipment—Repairs	1,702.90	1,553.45	149.45
330 Retirements—Equipment	—1,943.49	----------	—1,943.49
331 Equipment—Depreciation	170,763.76	171,688.32	—924.56
332 Injuries to persons	5,740.99	6,622.13	—881.14
333 Insurance	1,858.49	1,912.32	—53.83
334 Stationery and printing	869.05	768.75	100.30
335 Other expenses	9,071.11	9,477.78	—406.67
336 Joint maintenance of equipment expenses—Debit	23,103.85	15,003.02	8,100.83
337 Joint maintenance of equipment expenses—Credit	—456.72	—456.72	----------
Total	$ 625,446.24	$ 620,883.96	$ 4,562.28

—Minus

OPERATING EXPENSES FOR THE YEARS 1959 AND 1958 AND COMPARISON

ACCOUNT	1959	1958	Increase or —Decrease
Traffic:			
351 Superintendence	$ 52,425.85	$ 50,586.92	$ 1,838.93
352 Outside agencies	133,225.01	126,880.32	6,344.69
353 Advertising	2,449.21	1,269.86	1,179.35
354 Traffic associations	4,134.93	3,710.65	424.28
356 Industrial and immigration bureaus	8,140.48	7,115.03	1,025.45
357 Insurance	77.15	70.34	6.81
358 Stationery and printing	12,400.21	10,751.66	1,648.55
359 Other expenses	2,847.32	2,849.26	—1.94
Total	$ 215,700.16	$ 203,234.04	$ 12,466.12
Transportation—Rail Line:			
371 Superintendence	$ 25,634.72	$ 26,651.91	$ —1,017.19
372 Dispatching trains	18,125.23	18,759.48	—634.25
373 Station employees	140,554.41	147,237.14	—6,682.73
374 Weighing, inspection and demurrage bureaus	9,044.43	9,296.55	—252.12
376 Station supplies and expenses	5,477.88	5,835.14	—357.26
378 Yard conductors and brakemen	15,618.60	15,252.55	366.05
380 Yard enginemen	15,220.96	15,709.59	—488.63
382 Yard switching fuel—Diesel	3,201.24	3,327.60	—126.36
385 Water for yard locomotives	33.40	25.85	7.55
386 Lubricants for yard locomotives	----------	.87	—.87
387 Other supplies for yard locomotives	283.78	459.64	—175.86
388 Enginehouse expenses—Yard	----------	87.04	—87.04
389 Yard supplies and expenses	—.99	----------	—.99
390 Operating joint yards and terminals—Debit	616,667.82	619,478.94	—2,811.12
392 Train enginemen	152,559.04	170,265.98	—17,706.94
394 Train fuel—Diesel	152,981.53	160,342.47	—7,360.94
397 Water for train locomotives	547.61	556.18	—8.57
398 Lubricants for train locomotives	11,515.93	11,487.56	28.37
399 Other supplies for train locomotives	1,251.97	1,235.90	16.07
400 Enginehouse expenses—Train	57,494.03	64,413.04	—6,919.01
401 Trainmen	195,400.13	213,718.08	—18,317.95
402 Train supplies and expenses	51,849.84	56,707.99	—4,858.15
403 Operating sleeping cars	31,535.18	29,892.57	1,642.61
404 Signal and interlocker operation	10,337.92	11,152.02	—814.10
405 Crossing protection	5,823.20	12,327.82	—6,504.62
407 Communication system operation	5,600.12	873.90	4,726.22
410 Stationery and printing	5,470.56	6,580.75	—1,110.19
411 Other expenses	6,357.93	7,687.26	—1,329.33
412 Operating joint tracks and facilities—Debit	18,657.61	18,417.70	239.91
413 Operating joint tracks and facilities—Credit	—7,014.76	—6,261.28	—753.48
414 Insurance	6,546.04	4,845.59	1,700.45
415 Clearing wrecks	1,844.10	25,161.24	—23,317.14
416 Damage to property	4,089.54	3,085.97	1,003.57
417 Damage to live stock on right of way	23.68	----------	23.68
418 Loss and damage—Freight	22,929.27	68,391.05	—45,461.78
419 Loss and damage—Baggage	36.02	41.37	—5.35
420 Injuries to persons	22,455.84	28,021.95	—5,566.11
Total	$ 1,608,153.81	$ 1,751,067.41	$ —142,913.60
Miscellaneous Operations:			
441 Dining and buffet service	$ 40,835.95	$ 37,237.98	$ 3,597.97
General:			
451 Salaries and expenses of general officers	34,040.23	$ 34,802.65	$ —762.42
452 Salaries and expenses of clerks and attendants	122,285.89	123,637.20	—1,351.31
453 General office supplies and expenses	12,074.74	10,460.17	1,614.57
454 Law expenses	13,735.56	12,011.39	1,724.17
455 Insurance	220.92	167.17	53.75
457 Pensions and gratuities	6,855.03	8,243.07	—1,388.04
458 Stationery and printing	6,757.21	5,799.55	957.66
460 Other expenses	7,201.92	7,261.24	—59.32
461 General joint facilities—Debit	14,577.04	15,036.34	—459.30
Total	$ 217,748.54	$ 217,418.78	$ 329.76
Total railway operating expenses	$ 3,212,605.60	$ 3,274,605.35	$ —61,999.75
Ratio of operating expenses to operating revenues	84.22	89.51	—5.29

—Minus

RAILWAY OPERATING REVENUES

YEAR ENDED DECEMBER 31	Freight	Passenger	Mail	Express	All Other Transportation Rail Line	Incidental	Joint Facility Credit	Joint Facility Debit	Total Railway Operating Revenues
1950	$3,293,085.21	$ 512,001.76	$ 243,694.14	$ 82,002.43	$ 69,524.22	$ 117,291.30	$ 59,520.20	$ 210.25	$4,376,909.01
1951	3,401,038.81	588,060.67	222,066.42	79,632.98	81,907.19	141,040.42	59,966.65	152.05	4,573,561.09
1952	3,379,936.88	573,169.23	198,339.86	137,701.96	78,769.58	123,780.07	64,020.99	225.96	4,555,492.61
1953	3,346,534.16	474,791.89	306,610.09	114,700.23	87,867.56	114,132.43	63,811.32	157.54	4,508,290.14
1954	2,860,359.99	412,063.17	253,152.81	130,254.01	80,948.13	96,418.72	58,553.64	160.23	3,891,590.24
1955	2,584,637.18	331,909.74	183,843.37	199,096.26	101,482.78	95,215.22	67,049.00	160.17	3,563,073.38
1956	3,001,663.72	364,751.65	208,691.30	195,818.83	73,892.28	95,717.03	131,763.43	289.86	4,072,008.38
1957	2,818,767.31	341,992.42	228,678.35	165,689.09	72,444.67	86,359.63	105,428.44	97.56	3,819,262.35
1958	2,718,845.76	286,998.28	241,616.42	162,880.15	74,546.85	75,120.84	98,352.37	98.36	3,658,262.31
1959	2,878,895.10	260,690.17	222,552.02	211,151.19	71,607.23	78,827.36	91,168.70	131.84	3,814,759.93

RAILWAY OPERATING EXPENSES AND NET REVENUE FROM RAILWAY OPERATIONS

YEAR ENDED DECEMBER 31	Maintenance of Way and Structures	Maintenance of Equipment	Traffic	Transportation Rail Line	Miscellaneous Operations	General	Total Railway Operating Expenses	Net Revenue From Railway Operations	Ratio Operating Expenses to Operating Revenues
1950	$ 485,009.50	$ 562,965.61	$ 166,852.57	$1,914,002.85	$ 69,380.48	$ 201,556.64	$3,399,767.65	$ 977,141.36	77.68
1951	566,605.57	672,898.02	187,535.84	1,955,573.57	78,163.85	220,908.55	3,681,685.40	891,875.69	80.50
1952	558,757.84	731,528.15	182,049.54	1,919,947.15	78,285.44	213,404.69	3,683,972.81	871,519.80	80.87
1953	692,467.38	765,262.19	190,626.51	1,819,125.14	70,208.99	211,582.96	3,749,273.17	759,016.97	83.16
1954	533,633.77	659,262.86	180,423.33	1,673,546.16	59,692.25	195,945.21	3,302,503.58	589,086.66	84.86
1955	480,279.06	689,213.05	180,121.10	1,469,732.92	48,164.30	179,819.54	3,047,329.97	515,743.41	85.53
1956	555,446.05	784,112.47	205,817.79	1,767,205.16	56,796.23	213,973.36	3,583,351.06	488,657.32	88.00
1957	517,372.51	727,617.46	209,546.83	1,779,147.73	40,711.20	216,271.22	3,490,666.95	328,595.40	91.40
1958	444,763.18	620,883.96	203,234.04	1,751,067.41	37,237.98	217,418.78	3,274,605.35	383,656.96	89.51
1959	504,720.90	625,446.24	215,700.16	1,608,153.81	40,835.95	217,748.54	3,212,605.60	602,154.33	84.22

CLASSIFICATION OF FREIGHT TRAFFIC

COMMODITY		1959 No. of Tons 2,000 lbs.	1959 P/C to Total Tons	1958 No. of Tons 2,000 lbs.	1958 P/C to Total Tons	Increase or —Decrease Tons
Products of Agriculture	Grain and products, hay, tobacco	34,506	1.51	40,294	1.90	—5,788
	Cotton in bales	151,611	6.62	130,861	6.17	20,750
	Linters, cottonseed, and products	37,084	1.62	27,524	1.30	9,560
	Fruits, fresh, and melons	11,939	0.52	22,961	1.08	—11,022
	Fruits, dried and frozen	744	0.03	1,260	0.06	—516
	Coffee	2,914	0.13	2,596	0.12	318
	Cabbage, celery, lettuce, onions	6,635	0.29	10,126	0.48	—3,491
	Potatoes, other than sweet	8,855	0.38	14,134	0.67	—5,279
	Tomatoes, vegetables, fresh	3,258	0.14	3,261	0.15	—3
	Vegetables, dried and frozen	2,752	0.12	2,276	0.11	476
	Peanuts	2,912	0.13	3,279	0.15	—367
	Other products of agriculture	1,789	0.07	1,868	0.08	—79
	Total	264,999	11.56	260,440	12.27	4,559
Animals and Products	Cattle, calves, sheep and swine	60	-------	800	0.04	—740
	Meat, margarine, poultry and eggs	2,327	0.10	3,676	0.17	—1,349
	Butter, cheese, dairy products	3,476	0.15	5,443	0.26	—1,967
	Wool and mohair	708	0.03	84	-------	624
	Hides and other products of animals	1,402	0.07	1,950	0.09	—548
	Total	7,973	0.35	11,953	0.56	—3,980
Products of Mines	Coal and coke	35,114	1.53	50,508	2.38	—15,394
	Ores, iron, copper, lead, barytes	103,537	4.52	129,849	6.12	—26,312
	Clay, sand and gravel	170,153	7.43	166,960	7.87	3,193
	Stone and rock	184,031	8.04	154,979	7.30	29,052
	Petroleum, crude	-------	-------	62	-------	—62
	Asphalt	23,382	1.02	20,263	0.95	3,119
	Salt	20,917	0.91	20,210	0.95	707
	Phosphate rock	3,458	0.15	5,725	0.27	—2,267
	Sulphur	9,565	0.42	11,004	0.52	—1,439
	Products of mines, N. O. S.	36,961	1.62	37,897	1.80	—936
	Total	587,118	25.64	597,457	28.16	—10,339
Products of Forests	Logs, posts, poles, wood fuel	6,637	0.29	3,382	0.16	3,255
	Ties, railroad	362	0.02	432	0.02	—70
	Pulpwood	101,636	4.44	90,791	4.28	10,845
	Lumber, shingles and lath	68,630	3.00	57,860	2.73	10,770
	Cooperage material, veneer, plywood	18,044	0.79	12,204	0.57	5,840
	Rosin and turpentine	957	0.04	1,348	0.06	—391
	Products of forests, N. O. S.	2,718	0.11	2,304	0.11	414
	Total	198,984	8.69	168,321	7.93	30,663
Manufactures and Miscellaneous	Gasoline, petroleum and gases	107,176	4.68	104,651	4.93	2,525
	Oils, cottonseed, vegetable, etc.	40,786	1.78	34,100	1.61	6,686
	Rubber, rubber goods, chemicals	53,323	2.33	42,877	2.02	10,446
	Sulphuric acid	25,279	1.10	45,432	2.14	—20,153
	Acids, sodium, alcohol	97,955	4.28	77,967	3.68	19,988
	Fertilizers, N. O. S.	81,307	3.54	77,705	3.66	3,602
	Tar, paint, drugs, toilet articles	24,629	1.08	14,134	0.67	10,495
	Iron, pig, bar, nails, pipe, tanks	89,509	3.91	80,504	3.79	9,005
	Agricultural implements, machinery	7,592	0.33	7,534	0.36	58
	Vehicles, automobiles, airplanes	9,671	0.42	11,248	0.53	—1,577
	Cement	111,903	4.89	93,089	4.39	18,814
	Brick, artificial stone	38,384	1.68	25,032	1.18	13,352
	Lime, plaster	5,335	0.23	7,721	0.36	—2,386
	Woodpulp, rags, paper, pulpboard	240,752	10.51	192,447	9.07	48,305
	Building Material	12,556	0.55	11,114	0.53	1,442
	Glassware, refrigerators, stoves	30,707	1.34	26,541	1.25	4,166
	Bagging, cotton factory products	28,533	1.25	21,380	1.01	7,153
	Sugar	42,055	1.84	38,393	1.81	3,662
	Candy, soap, tobacco, cigarettes	71,675	3.13	71,685	3.38	—10
	Scrap iron and steel, borings, etc.	21,916	0.96	15,925	0.75	5,991
	Furnace slag	6,527	0.28	6,228	0.29	299
	Other manufactures and miscellaneous	67,297	2.94	65,124	3.06	2,173
	Total	1,214,867	53.05	1,070,831	50.47	144,036
	Forwarder Traffic (C. L.)	78	-------	39	-------	39
	GRAND TOTAL, CARLOAD TRAFFIC	2,274,019	99.29	2,109,041	99.39	164,978
	All L. C. L. Freight	16,319	0.71	12,906	0.61	3,413
	GRAND TOTAL, CARLOAD AND L. C. L. TRAFFIC	2,290,338	100.00	2,121,947	100.00	168,391

FREIGHT AND PASSENGER STATISTICS

FREIGHT TRAFFIC	1959	1958	Increase or Decrease	
			Amount	Percent
1 Number of tons carried	2,290,338	2,121,947	168,391	7.94
2 Number of tons carried one mile	171,432,376	157,151,586	14,280,790	9.09
3 Number of tons per mile of road (Average)	25,324	23,462	1,862	7.94
4 Number of tons carried one mile per mile of road	1,895,537	1,737,634	157,903	9.09
5 Number of tons in each train (Average)	858.13	757.30	100.83	13.31
6 Number of tons in each loaded car (Average)	22.73	23.28	—0.55	—2.36
7 Average distance one ton carried (Miles)	74.85	74.06	0.79	1.07
8 Revenue per ton per mile	$ 0.01679	$ 0.01730	$ —0.00051	—2.95
9 Revenue per mile of road	31,832.10	30,062.43	1,769.67	5.89
10 Revenue per freight train mile	20.32	17.97	2.35	13.08
11 Revenue per freight car mile—Loads	0.53809	0.55243	—0.01434	—2.60
12 Revenue per freight car mile—Total	0.36020	0.35638	0.00382	1.07
13 Revenue per ton	1.26	1.28	—0.02	—1.56
PASSENGER TRAFFIC				
1 Number of passengers carried	97,943	109,711	—11,768	—10.73
2 Number of passengers carried one mile	8,255,849	9,199,398	—943,549	—10.26
3 Number of passengers per mile of road (Average)	1,138	1,275	—137	—10.75
4 Number of pass. carried one mile per mile of road	95,909	106,870	—10,961	—10.26
5 Number of passengers in each train (Average)	67	57	10	17.54
6 Number of passengers in each car (Average)	12	12		
7 Average distance each passenger (Miles)	84.29	83.85	0.44	0.52
8 ‡Passenger service train revenue per mile of road	$ 8,083.01	$ 8,044.81	$ 38.20	0.47
9 ‡Passenger service train revenue per pass. train mile	5.53	4.22	1.31	31.04
10 ‡Passenger service train revenue per pass. car mile	0.50048	0.44138	0.05910	13.39
11 *Revenue per passenger per mile	0.03158	0.03119	0.00039	1.25
12 *Revenue per passenger	2.66	2.62	0.04	1.53
ALL TRAFFIC				
Railway operating revenues per mile of road	$ 40,882.65	$ 39,205.47	$ 1,677.18	4.28
Railway operating revenues per revenue train mile	14.26	11.60	2.66	22.93
Railway operating expenses per mile of road	$ 34,429.38	$ 35,093.83	$ —664.45	—1.89
Railway operating expenses per revenue train mile	12.01	10.38	1.63	15.70
Per cent of railway operating expenses to oper. revenue	84.22	89.51	—5.29	—5.91
Net revenue per mile of road	$ 6,453.27	$ 4,111.64	$ 2,341.63	56.95
Net revenue per revenue train mile	2.25	1.22	1.03	84.43
Per cent of net revenue to total revenue	15.78	10.49	5.29	50.43
Railway operating expenses and taxes per mile of road	$ 36,787.96	$ 37,413.72	$ —625.76	—1.67
Railway operating expenses and taxes per rev. train mile	12.83	11.07	1.76	15.90
Per cent of operating expenses and taxes to total revenues	87.69	95.43	—7.74	—8.11

* Revenue excludes mail, express, excess baggage, other passenger-train and milk.
‡ Revenue includes mail, express, excess baggage, other passenger-train and milk.
—Decrease.

TRAIN, LOCOMOTIVE AND CAR MILES

	CLASS	1959	1958	Increase or —Decrease
	TRAIN MILES			
801	Freight	141,704	151,307	—9,603
802	Passenger	125,772	164,076	—38,304
	Total Revenue Service Train Miles	267,476	315,383	—47,907
805	Non-Revenue Service Train Miles	1,310	825	485
	TOTAL TRAIN MILES	268,786	316,208	—47,422
	LOCOMOTIVE MILES			
811	Freight—Principal	141,704	151,307	—9,603
	Freight—Helper	252,118	254,814	—2,696
812	Passenger—Principal	125,772	164,076	—38,304
	Passenger—Helper	137,057	149,709	—12,652
	Passenger—Light	9,222	11,010	—1,788
815	Switching—Train	53,086	57,095	—4,009
816	Switching—Yard—Freight	15,372	15,672	—300
	Total Revenue Locomotive Miles	734,331	803,683	—69,352
817	Non-Revenue Locomotive Miles	1,310	825	485
	TOTAL LOCOMOTIVE MILES	735,641	804,508	—68,867
	FREIGHT CAR MILES			
821	Freight Loaded	5,350,178	4,921,589	428,589
	Freight Empty	2,513,484	2,568,872	—55,388
	System Caboose	128,880	138,662	—9,782
	Total Freight Car Miles	7,992,542	7,629,123	363,419
	PASSENGER CAR MILES			
822	Passenger Coaches	269,413	321,058	—51,645
	Sleeping and Parlor Cars	399,455	421,598	—22,143
	Club, Lounge, Dining and Observation	63,185	64,840	—1,655
	Business	3,675	3,332	343
	Mail, Express and Baggage	646,463	688,530	—42,067
	Combination Passenger and Baggage	6,326	62,073	—55,747
	Passenger Car Miles in Freight Trains	1,714	7,509	—5,795
	Total Passenger Car Miles	1,390,231	1,568,940	—178,709
	Total Revenue Car Miles	9,382,773	9,198,063	184,710
825	Non-Revenue Service Car Miles	9,581	260	9,321
	TOTAL CAR MILES	9,392,354	9,198,323	194,031

—Minus

INVESTMENT IN ROAD AND EQUIPMENT FOR THE YEAR ENDED DECEMBER 31, 1959

	ROAD	Additions	Retirements	Net Total
2	Land for transportation purposes		$ 57.53	$ —57.53
3	Grading	$ 200.00	881.01	—681.01
8	Ties	1,686.65	1,757.47	—70.82
9	Rails	7,614.24	1,060.70	6,553.54
10	Other track material	17,770.01	1,521.44	16,248.57
11	Ballast	477.73	393.66	84.07
12	Track laying and surfacing	773.01	1,002.91	—229.90
16	Station and office buildings	3,936.58	1,186.96	2,749.62
27	Signals and interlockers		349.15	—349.15
37	Roadway machines	8,815.19		8,815.19
	Total expenditures for road	$ 41,273.41	$ 8,210.83	$ 33,062.58
	EQUIPMENT			
53	Freight-train cars		$ 11,715.53	$—11,715.53
54	Passenger-train cars		15,336.37	—15,336.37
57	Work equipment	$ 571.32		571.32
58	Miscellaneous equipment	2,602.75	1,923.02	679.73
	Total expenditures for equipment	$ 3,174.07	$ 28,974.92	$—25,800.85
	Total	$ 44,447.48	$ 37,185.75	$ 7,261.73

—Minus

EQUIPMENT

	Locomotives		Freight-Train Cars		Passenger-Train Cars		Work Equipment *	
On hand January 1, 1959	12		555		24		20½	
Acquired	—		—		—		1	
Changed	—	12	—	555	—	24	—	21½
Withdrawn from Service	—		3		1		—	
Changed	—	—	—	3	—	1	—	—
On hand December 31, 1959		12		552		23		21½

The following table shows the equipment on hand at the close of the past ten years:

	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Locomotives:										
Steam	17	15	13	9						
Diesel-Electric:										
Freight "A" Units	1	1	2	2	2	2	2	2	2	2
Freight or Passenger	3	7	7	7	7	7	7	7	7	7
Switching	2	3	3	3	3	3	3	3	3	3
Freight Train Cars	505	509	589	564	539	543	569	562	555	552
Passenger-Train Cars	31	31	29	30	30	30	25	25	24	23
Work Equipment	19½	20½	16½	16½	16½	16½	20½	19½	20½	21½

* Includes one-half interest in Official Car 100.

EQUIPMENT OBLIGATIONS, DECEMBER 31, 1959

Description and Date	Amount	Unpaid Dec. 31, 1959	Installments Payable	Interest Rate Percent	Final Payment Due or Paid	Matured or Paid During Year 1959
Conditional Sale Agreements:						
December 16, 1950	$ 342,000.00	$ 39,900.00	Monthly	2.40	Mar. 1, 1961	$ 34,200.00
	171,000.00	171,000.00	Monthly	2.85	Mar. 1, 1966	None
June 4, 1951	92,000.00	16,100.00	Quarterly	2.75	Aug. 1, 1961	9,200.00
April 1, 1952	413,100.00	208,539.00	Monthly	3.00	Oct. 19, 1967	32,028.00
October 1, 1952	151,800.00	80,960.00	Quarterly	3.25	Nov. 1, 1967	10,120.00
September 1, 1955	87,360.00	55,328.00	Monthly	3.25	May 1, 1966	8,736.00
February 15, 1956	74,614.98	22,381.92	Monthly	3.25	July 1, 1961	14,921.28
	146,208.81	146,208.81	Monthly	3.35	July 1, 1971	None
February 15, 1956	80,874.75	20,215.80	Monthly	3.25	Apr. 1, 1961	16,172.64
	161,726.40	161,726.40	Monthly	3.35	Apr. 1, 1971	None
Total	$ 1,720,684.94	$ 922,359.93				$ 125,377.92